

## Supply side: self-assessment template for banks and payment institutions

The Eurosystem's expectations are not formal or legally binding requirements for a SEPA provider (i.e. a bank or a payment institution). Rather, the aim is that the expectations published by the Eurosystem provide a benchmark to ensure that providers can aim to fulfil the Eurosystem's more comprehensive expectations and not only adhere to the relevant rulebooks and frameworks. The Eurosystem will not assess whether SEPA providers fulfil these expectations, but providers are invited (not legally required) to assess their operations against the criteria and recommendations on a regular basis and to publish the results.

It is not expected that banks and payment institutions which are currently not active in a specific product type will need to offer the corresponding product type within SEPA. Therefore, SEPA expectations relate only to products a bank or payment institution already offers in legacy euro instruments. Providers are free to choose not to offer a product type which they do not provide already for legacy euro instruments, and yet they can still fulfil the expectations.

JSC "SEB banka"

1. ensures its operational capability to send and receive SEPA payments by:

- a. adhering to the SEPA credit transfer rulebook and being a participant in the SEPA credit transfer scheme (only applicable if such business is conducted);<sup>1</sup>

Yes       No

Comments:

JSC "SEB banka" is a participant in the SEPA credit transfer scheme as of 28 January 2008 and ensures the SEPA credit transfers on behalf of its customers.

- b. adhering to the SEPA direct debit rulebook(s) and being a participant in the SEPA direct debit scheme (only applicable if such business is conducted);<sup>2</sup>

Yes       No

Comments:

JSC "SEB banka" is a participant in the SEPA direct debit scheme as of 1 November 2009 and ensures the service of automated invoicing (direct debit payments) on behalf of its customers.

- c. listing all operational BIC8 or BIC11<sup>3</sup> used for payment services in at least one CSM directory that provides full SEPA reachability;

Yes       No

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<sup>1</sup> This means that the Eurosystem expects a bank/payment institution that offers, for instance, a legacy credit transfer solution for euro payments to also offer SEPA credit transfers.

<sup>2</sup> This means that the Eurosystem expects a bank/payment institution that offers, for instance, a legacy direct debit solution for euro payments to also offer SEPA direct debits (once available).

<sup>3</sup> BIC11 is only necessary if payments addressed to the generic BIC8 plus any branch code – including "XXX" – cannot be processed.

Comments:

At the beginning of 2008, JSC "SEB banka" listed its BIC as SEPA reachable.

- d. aligning business processes and affected software with the provisions of the relevant European Payments Council (EPC) rulebooks, and successfully testing the solutions and introducing them into the live environment;

Yes       No

Comments:

All SEPA services offered by JSC "SEB banka" comply with the latest provisions stipulated by the EPC and are always thoroughly tested and checked.

- e. offering the use of SEPA standards in the customer-to-bank and bank-to-customer field<sup>4</sup> (as developed by the EPC, but currently only recommended for optional use), at least in addition to legacy standards and – if useful – liaising with the customers' software providers in order to contribute to customers' migration to SEPA payment instruments;

Yes       No

Comments:

JSC "SEB banka" along with the other representatives of the Association of Latvian Commercial Banks is engaged in elaboration of such standards and will enhance exploiting their advantages by the customers.

- f. not offering conversion services which result in a loss of data. Except for cases in which the payee explicitly asks that not all information be forwarded, full data are provided to the payee. After the SEPA migration end-date (once defined), the offering of any conversion service in the interbank space will cease.

Yes       No      Comments:

2. offers SEPA instruments to users that correspond to instruments already offered in the form of legacy euro payment instruments.<sup>5</sup> The SEPA instruments are available for sending and receiving domestic and cross-border payments within SEPA.

By fulfilling these expectations, we are operationally ready to process (relevant) SEPA instruments. We also make these instruments available for active use by our customers.

Yes       No

Comments:

In addition to cross-border payments, JSC "SEB banka" will also process domestic payments in line with the requirements of the SEPA credit transfer scheme as of 8 November 2010.

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<sup>4</sup> It is assumed that the same standards will be recommended for communication by payment institutions.

<sup>5</sup> The Eurosystem expects not only that a payment instrument offered in the legacy format will also be offered in the SEPA format, but also that the same service level will be guaranteed. If this is not possible with the core SEPA format, AOSs should be introduced in accordance with the EPC's guidelines.

In addition, we observe the Eurosystem's recommendations that a bank/payment institution:

A. make the SEPA instruments attractive to customers by:

- a. making SEPA payment instruments the default option for domestic and cross-border transactions within SEPA thereby replacing legacy euro payment instruments;

Yes       No      Comments:

- b. making services that are available for legacy payments (e.g. internet banking and the ability to register recurring or standing orders) available for the SEPA instruments as well;

Yes       No      Comments:

- c. offering services which allow customers to effect payments containing only the IBAN (i.e. without the BIC);

Yes       No

Comments:

The bank customers may initiate domestic payments only by the IBAN via Internet banking. The BIC is automatically added by the Internet banking application.

- d. working to improve the SEPA instruments in order to meet user requirements and demands by establishing additional optional services (AOSs), supporting the transformation of successful community AOSs into SEPA-wide AOSs and implementing products based on the e-SEPA initiative and future frameworks such as 'SEPA online payments' and 'SEPA mobile payments' (once available).

Yes       No

Comments:

For the time being, JSC "SEB banka" does not offer AOS.

B. actively inform customers about SEPA by:

- a. dedicating an area on the bank's/payment institution's website to SEPA and providing additional information for customers;

Yes       No

Comments:

Information about SEPA and additional link to the National SEPA Latvia website are presented on JSC "SEB banka" webpage under section "Accounts and Payments".

- b. clearly describing the benefits of SEPA for different types of user;

Yes       No

Comments:

Information about SEPA and additional link to the National SEPA Latvia website are presented on JSC "SEB banka" website under section "Accounts and Payments".

- c. making the BIC (as long as it is a required identifier in SEPA) and the IBAN easily available to its customers (e.g. inserting it in obvious place on the bank account statement, in the internet banking interface and on cards – provided there are no legal obstacles).

Yes       No

Comments:

Information is available in the bank account statements and via internet banking.

C. observe the Eurosystem's SEPA policy by:

- a. using an infrastructure (if relevant) that has undergone a self-assessment against the relevant Terms of Reference (ToR) for infrastructures, that has published the results and that observes the ToR in accordance with this self-assessment;

Yes       No      Comments:

- b. offering clearing and settlement services (if relevant) based on the applicable principles from the ToR for infrastructures.

Yes       No

Comments:

JSC "SEB banka" does not maintain clearing and settlement infrastructure.

If you have any questions with regard to this template, please contact us at: [info@sepalatvija.lv](mailto:info@sepalatvija.lv) <mailto:info@sepalatvija.lv>